

K# 9460



# **BROTHERHOOD OF LOCOMOTIVE ENGINEERS AND TRAINMEN**

**SYSTEM AGREEMENT**

**CSXT No. 1-028-14**



**Governing working conditions and rates of pay of**

**Locomotive Engineers**

**CSX TRANSPORTATION**

**EASTERN LINES – WESTERN LINES**

**NORTHERN LINES – NORTHERN DISTRICT**

**October 15, 2014**

# MEMORANDUM OF AGREEMENT

Between

**CSX TRANSPORTATION, INC.**

And its employees represented by the

**BROTHERHOOD OF LOCOMOTIVE ENGINEERS AND TRAINMEN  
(EASTERN LINES – WESTERN LINES – NORTHERN LINES – NORTHERN  
DISTRICT)**

**This is a tentative agreement initialed by the parties and subject to national approval and property ratification.**

**It is hereby agreed that CSXT Labor Agreement No. 1-023-07 is modified only to the extent described herein:**

## **I. RATES OF PAY**

- A. The General Wage Increases for the period of January 1, 2015, through December 31, 2019, will be as follows:
1. Effective January 1, 2015, all locomotive engineer rates of pay in effect on December 31, 2014, including extra board guarantees, shall increase by four and three tenths percent (4.3%). Rates of pay will be shown in the Rate Schedules in the Appendix.
  2. Effective in the year 2016 through the year 2019, General Wage Increases agreed to in the BLET National Agreement between BLET and NCCC, in resolution of the 2015 or subsequent rounds of bargaining covering the time period up-to-and-including 2019, shall be increased in the same manner outlined in the Article addressing General Wage Increases in the National Agreement.
  3. In the event that a significant work rule / GWI exchange is incorporated into the 2015 BLET National Agreement or subsequent agreement covering the time period up-to-and-including 2019, which can be specifically identified as a quid pro quo trade, the parties are free to mutually agree to accept or reject those conditions and appropriate adjustments will be made in the work rule / GWI relationship.
  4. In the event the parties cannot mutually identify any obvious significant quid pro quo work rule / GWI exchanges, the matter will be referred to a Disputes Resolution Committee consisting of an equal number of representatives of the BLET, CSXT and a neutral Chairman selected by the parties or, absent agreement, appointed by the National Mediation Board. Each partisan member may select others to serve on the Committee at their discretion. If the partisan members of the Committee are unable to agree on resolution of any dispute within ten (10) days after convening, the matter will be referred to the neutral Chairman for resolution. The neutral Chairman will resolve the dispute within ten (10) days after referral of the matter. The burden of

proof by a preponderance of the evidence shall rest on the party that contends that a significant work rule / GWI relationship exists. Each party shall bear its own costs and shall equally share the fees and expenses of the neutral. Any resolution by the Committee or by the neutral shall be final and binding under Section 3 of the Railway Labor Act.

5. Should any obvious significant work rule / GWI exchange be agreed to or imposed, the GWI increase or decrease will be prorated over the life of the agreement remaining after settlement date or as mutually agreed by the parties. Changes to the National Health and Welfare plan are not covered by this paragraph.

B. In computing the increase above, the percentage shall be applied to the standard basic daily rates of pay applicable in the following weight-on-drivers brackets, and the amounts so produced shall be added to each standard basic rate of pay. The adjustments provided for in this Article will apply to mileage rates of pay for overmiles, and will not apply to duplicate time payments, including arbitraries and special allowances that are expressed in time, miles or fixed amounts of money:

- Passenger 950,001 and less than 1,000,000 pounds
- Freight 950,001 and less than 1,000,000 pounds (through freight rates)
- Yard Engineers less than 500,000 pounds
- Yard Firemen less than 500,000 pounds (separate computation covering five-day rates and other than five-day rates)

## **II. SPECIAL DIFFERENTIAL ENGINEER CERTIFICATION ALLOWANCE "EC"**

Effective on the date of this agreement, the Special Pay Differential (EC) will be seventeen dollars (\$17.00) per basic day in freight and yard service plus \$0.15 per overmile for any and all trips in such service in accordance with PLB 7265 Award 1. The \$0.15 overmile allowance is not payable to those CSXT Engineers with a seniority date after December 31, 2014. This Article remains subject to snap back.

## **III. PERFORMANCE BONUS PROGRAM**

- A. The parties agree that Engineers represented by the Brotherhood of Locomotive Engineers and Trainmen (BLET) will be eligible for a bonus payment under the Performance Bonus Program (PBP) established in this Agreement for the periods and on the basis set forth below:
1. Effective January 1, 2015 and payable in 2016, locomotive Engineers will be eligible for a bonus up to a maximum of twelve percent (12%) of their locomotive Engineer earnings in 2015, calculated in accordance with paragraph B below;
  2. Effective January 1, 2016 and payable in 2017, locomotive Engineers will be eligible for a bonus up to a maximum of twelve percent (12%) of their locomotive Engineer earnings in 2016, calculated in accordance with paragraph B below;
  3. Effective January 1, 2017 and payable in 2018, locomotive Engineers will be eligible for a bonus up to a maximum of twelve percent (12%) of their locomotive Engineer earnings in 2017, calculated in accordance with paragraph B below;

4. Effective January 1, 2018 and payable in 2019, locomotive Engineers will be eligible for a bonus up to a maximum of twelve percent (12%) of their locomotive Engineer earnings in 2018, calculated in accordance with paragraph B below;
5. Effective January 1, 2019 and payable in 2020, locomotive Engineers will be eligible for a bonus up to a maximum of twelve percent (12%) of their locomotive Engineer earnings in 2019, calculated in accordance with paragraph B below;

As indicated in paragraphs A (1) - (5) above, a locomotive Engineer will not be eligible for a bonus for any year in which the locomotive Engineer has not achieved a BLET seniority date by December 31st of that year.

- B. 1. Locomotive Engineers covered by this Agreement who are eligible to receive a bonus for a year specified in paragraph A above, payable in the following year, will receive this bonus payment only if an annual bonus is paid under CSXT's Management Incentive Compensation Program (MICP) for that year.

For such years, the amount payable to a locomotive Engineer under paragraph A above will be calculated by multiplying the employee's locomotive Engineer earnings in that calendar year (as defined herein by the appropriate percentage in paragraph A above and then by the percentage of the bonus payout to the second decimal place), up to a maximum of one hundred percent (100%), paid under the MICP for that year. The "percentage of the bonus payout", up to a maximum of one hundred percent (100%), paid under the MICP for any given year is hereinafter referred to as the Performance Bonus Payment, hereinafter "PBP."

Example 1: If the PBP is 100% for MICP payments made for calendar year 2015 (payable in 2016), and the locomotive Engineer earnings in his craft in 2015 are \$70,000, the following calculation applies:

$$.12 \times \$70,000 \times 100\% = \$8,400.00 \text{ (payable in 2016)}$$

Example 2: If the PBP is 96.78% for MICP payments made for calendar year 2015 (payable in 2016), and the locomotive Engineer earnings in his craft in 2015 are \$70,000, the following calculation applies:

$$.12 \times \$70,000 \times 96.78\% = \$8,129.52 \text{ (payable in 2016)}$$

2. For the purposes of this Article, BLET earnings consist of all payments made by agreement between CSXT and BLET during the applicable calendar year. The following payments shall be excluded from BLET earnings:

- (i) Bonus payments.
- (ii) Expense reimbursements and allowances, including, but not limited to those required by any protective conditions.
- (iii) Any payment, other than for back pay, made pursuant to a jury verdict, court order, settlement, or other resolution of a legal dispute.
- (iv) Earnings from another craft.

3. Employees may make an irrevocable election prior to the beginning of the calendar year in which the bonus will be paid to defer all or a portion of their bonus into the CSX Corporation Capital Builder Plan, or BLET Merrill Lynch Program, up to the limits of and in accordance with the provisions of the respective Plan.
- C. CSXT will advise the BLET of the PBP for each calendar year for which the Company pays a bonus under the MICP. The determination of the percentage of bonus payment under the MICP, including but not limited to the methodology employed and the determination of any data utilized in the calculation of the percentage of bonus payment under the MICP, shall be at management's sole discretion, and shall not be a subject for review, negotiation or dispute. Bonus payments payable under this Bonus Program will be made no later than March 1 of the year in which the payment is due.
  - D. Bonus payments shall be included in vacation calculation payments.
  - E. Any provision of Article 6 of CSXT Labor Agreement No. 1-023-07 not brought forward into this Article III is eliminated, i.e., Subpart Article 6 A. 4. Nothing in this Article will eliminate the payment of the bonus provided in Article III A5 of CSXT Labor Agreement 1-030-09 earned in 2014 and payable in 2015.

#### **IV. HEALTH AND WELFARE**

- A. The parties agree that they shall grant and maintain their powers of attorney to their representatives at the National Level to progress and resolve any Section 6 Notices related to the Health and Welfare Plans in any National Bargaining Round(s) that occur between the effective date of this Agreement and December 31, 2019, including any changes associated with the BLET National Short Term Disability Plan. When the National Agreement(s) covering Health and Welfare Plans including the BLET National Short Term Disability Plan, is consummated, such Agreement(s), including the moratorium/duration provisions, will be applicable to the parties' signatory to this Agreement.
- B. Pending settlement of the next National Agreement, the current Health and Welfare Plans and Carrier contributions to the BLET National Short Term Disability Plan will be maintained.

#### **V. GENERAL PROVISIONS**

- A.
  1. The purpose of this October 15, 2014, revision to CSXT Labor Agreement 1-023-07 is to fix the general level of compensation and Engineers' working conditions through December 31, 2019.
  2. This Agreement shall bar any Notices or proposals for changing any matter contained in CSXT Labor Agreement 1-023-07 and this Agreement or any notice or proposal which might properly have been served pursuant to Article 6. or Article 86 as amended, of CSXT Labor Agreement 1-023-07, by either party prior to November 1, 2019 (not to become effective before January 1, 2020). This Paragraph A. 2. shall not bar the handling of Notices or proposals covering Health and Welfare Plans as contemplated by Section IV above.

- B.** 1. The parties shall commence voluntary negotiations and exchange proposals covering wages, the Performance Bonus Program and any desired changes to working conditions, no later than March 1, 2019. The Agreement covering these proposals including any required ratification shall be completed no later than October 1, 2019, unless this deadline is extended by mutual agreement of both parties.
2. Should the parties fail to reach an Agreement under Paragraph B. 1. above, the following will apply:
- a. The Engineers' participation in the Performance Bonus Plan will be terminated effective December 31, 2019. Any performance bonus payment for the year 2019 will be made no later than March 1, 2020.
- b. The Special Pay Differential (Engineer Certification Allowance, "EC") in Article 4 of CSXT Labor Agreement 1-023-07 as modified by Section II above, shall be eliminated effective December 31, 2019. The \$5.00 Engineer Certification Allowance will be re-established on January 1, 2020. It is the intent of the parties to adjust the \$5.00 rate referred to herein as provided for in Article 6, Paragraph J. of CSXT Labor Agreement 1-023-07.
- c. Effective January 1, 2020 all standard basic daily rates of pay for Engineers subject to Agreements between CSXT and the Brotherhood of Locomotive Engineers and Trainmen (BLET) shall be increased by taking the rates of pay in effect on June 30, 2005 and applying all subsequent General Wage Increases resulting from BLET National Agreements prior to or on January 1, 2020.
- C.** This Section will not bar Management and the Organization from agreeing upon any subject of mutual interest.

**VI. Work Rules**

See Attachment A

If this agreement successfully ratifies, the Parties agree to meet and codify CSXT Labor Agreement 1-023-07 as amended to include all the provisions of this agreement, previous LOIs and other agreements that have been adopted since the 2007 agreement.

**This agreement shall be effective on the date signed and shall remain in effect until changed or modified pursuant to Section V of this Agreement or in accordance with the provisions of the Railway Labor Act**

**Signed at Jacksonville, Florida this 15 day of October, 2014**

**FOR THE COMPANY**

**FOR THE UNION**

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**Sam Macedonio  
Director CSXT Labor Relations**

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**Gary D. Best  
BLET Eastern Lines GCA**

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**John W. Johnson  
Director CSXT Labor Relations**

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**James P. Louis  
BLET Northern District GCA**

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**William P. Lyons  
BLET Northern Lines GCA**

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**Matt A. Thornton  
BLET Western Lines GCA**

## **Attachment A**

**It is hereby agreed that CSXT Labor Agreement No. 1-023-07 is modified only to the extent described herein:**

### **I Unassigned Service**

#### **Section 1 - Work/Rest Pool Schedules**

A. Subject to customer service requirements, current freight pool service may be converted to operate pursuant to a work/rest schedule in Paragraph B or C below. Establishment of new unassigned intradivisional/interdivisional work/rest pool freight service may be established to operate pursuant to a work/rest schedule in Paragraph B or C below, in straight away, turn around, or meet and turn service subject to applicable provisions of Article 84. Such service will be advertised to operate either from a home terminal to a home terminal, or from a home terminal to an away from home terminal(s).

B. Upon notification to the BLET Local Chairman and General Chairman, unassigned work/rest pool service may consist of the following schedule:

1. Six (6) days with two (2) scheduled off days.

Should the General Chairman of jurisdiction or the Carrier believe the 6/2 work/rest schedule implemented by the Carrier is not in the best interest of either party, the concerned party will file a written objection to the Work/Rest Committee, consisting of the four (4) BLET General Chairmen and an equal number of Carrier representatives for resolution. Upon the serving of a notice under Section 1, and for a period of twenty (20) days, the parties will discuss the details of operating and working conditions of the proposed runs. During this twenty (20) day period, the parties will attempt to adopt one of the options in C below. Should resolution not be reached, the parties may proceed to expedited arbitration and the status quo will be maintained until the decision is rendered.

C. Upon concurrence of the BLET Local Chairman, General Chairman, and the HDO, unassigned work/rest pool service may be established/converted with the following schedule variations below:

1. Unassigned Work/Rest Pools with:

- a. Five (5) days with one (1) or two (2) scheduled days off (turnaround service only).
- b. Combination of six (6) days with two (2) scheduled days off and four (4) days with two (2) scheduled days off.
- c. Four (4) consecutive starts with additional fourteen (14) hours rest on pools with no rest days.

✳ 2. Other work/rest schedules as may be mutually agreed upon between the BLET Local Chairmen and Division Management as approved by the HDO and General Chairman.

D. Engineers will be automatically marked off for their rest days in accordance with the provisions of Article 40 E and marked up in accordance with the provisions of Article 42.

Article 40 will be amended to provide that any employee working in a work/rest pool schedule under Section 1 will be able to exercise the following provision:

✳ On the day preceding their scheduled rest cycle, an Engineer at the home terminal that is not called by 1200 for 1400 hours (1500 for runs subject to a 3 hour call) may contact Crew Management indicating their desire to be removed from the calling cycle in advance of their rest cycle. In the event the company is unable to fulfill its manpower requirements, the engineer may be used in other classes of service for which he is qualified that will go off duty at the home terminal. In the event an engineer has previously scheduled commitments surrounding their assigned days off and requires relief from this provision, that engineer will be required to arrange such through their local supervisor or CMC.

Note: The parties agree that the above paragraph is not intended to negatively affect manpower availability but to provide Engineers an opportunity to meet specific commitments and minimize deadheading expenses to the Company. In this regard, the Union and the Company will monitor the application of this provision. In the event it is determined that manpower availability is adversely affected or deadheading expenses have increased, the parties agree the General Chairman and the HDO will work together to resolve the issue.

In no event will an engineer be required to accept an assignment that goes on duty after 2000 hours on the day prior to his scheduled time off.

Engineers exercising their right to early mark off will not have their guarantee affected.

E. Engineers who arrive at the away from home terminal on the last day of their work cycle will contact CMC prior to tying up. CMC will either:

- a. Place the Engineer first out behind an Engineer with the same set of rest days; or
- b. Deadhead the Engineer to the home terminal in combined service.

Note: The application of E will not constitute a run-around claim but is intended, if possible, to avoid working Engineers home on their rest day.

F. Engineers assigned to a work/rest pool who arrive at the away from home terminal on their rest day will deadhead to the home terminal in combination service (OF trip rate).

G. Engineers assigned to a work/rest pool who arrive at the home terminal after 0001 on their rest day will commence their rest period at their off duty time.

- H. The turns of Engineers in work/rest pools will be removed from the board during their rest cycle.
- I. Engineers in work/rest cycle pools (excluding those on the ASL per Article 43) will not be used in any other service unless the vacancy fill procedures have been exhausted and will be made whole for any loss of earnings.
- J. Rest days will be established in all pools subject to the provisions of Side Letter 32.
- K. The observance of rest days by employees in Work/Rest pools is mandatory, however, should an employee assigned to a Work/Rest pool be forced to observe RSIA rest on other than their assigned rest days, the employee may turn off their next set of scheduled rest days, as long as the rest days and the RSIA days occur in the same JAD week. Engineers entitled to turn off rest days under this paragraph must notify CMC by 2100 hours on the day prior to their assigned rest days if they want to turn the rest days off and remain available to protect service. If the assigned rest days are not turned off, Engineers will be marked off automatically at 0001 hours for his assigned rest days and automatically marked up at 0001 hours after observing their assigned rest days.
- L. The Parties recognize the logistical challenge of converting already established unassigned pool freight service to a work/rest schedule, and will require a phased in implementation over a period of time.

Note: Any of the schedule arrangements in B or C of this Section may, at the Engineer's discretion, include the option to observe an additional fourteen (14) hours rest after the fourth consecutive start (starts will be measured consistent with RSIA).

**Section 2 - Self Supporting Pool [SSP]**

- A. All six (6) day pools with two (2) scheduled off days will be Self Supporting. All other work/rest schedules may be Self Supporting. Should the General Chairman of jurisdiction or the Carrier believe the work/rest schedule implemented by the Carrier is not in the best interest of either party, the concerned party will file a written objection to the Work/Rest Committee, consisting of the four (4) BLET General Chairmen and an equal number of Carrier representatives for resolution. Upon the serving of a notice under Section 2, and for a period of twenty (20) days, the parties will discuss the details of operating and working conditions of the proposed self supporting pool. Should resolution not be reached, the parties may proceed to expedited arbitration and the status quo will be maintained until the decision is rendered.
  - 1. When a pool turn becomes first (1st) out and the incumbent is unavailable at the home terminal, the next rested and available pool Engineer will be called for that trip. When the incumbent Engineer marks up, his turn will be placed at the bottom of the pool in accordance with Article 81. On each Job Adjustment Day, Engineers will be reassigned in accordance with their electronic bid application,

*The 6 or 7 pool if want more work can sign up for ASL but*

but will not be placed on their new assignment until they return to their home terminal from their last tour of duty. Engineers awarded their specific preferences on job adjustment day will be placed on said assignment at 0001 Saturday. Engineers newly assigned to unassigned freight pool turns will be placed at the bottom of the board in accordance with their previous tie-up time.

2. When a Self Supporting pool is exhausted, a make up turn will be added to the pool at the home terminal. The make up turn will take their turn at the away-from-home terminal and will be removed from the pool after it works/deadheads to the home terminal.

B. Engineers who are tied up at their away from home terminal may only be called for one (1) trip out of their away from home terminal in turn around service per Article 51. When so used, the Engineer's subsequent trip, whether working or deadhead, must return to the Engineer's home terminal.

### **Section 3 - Pool Regulation**

In an effort to promote manpower stability, provide sufficient earning opportunity for the involved pool engineers and develop a clear and consistent manner in which to regulate freight pools, the parties have agreed that the below will supersede all agreements, or pertinent parts thereof, and/or practices in effect regarding regulation of freight pools. In this respect, the following regulating factors will be used:

#### **1 - Regulation and Adjustment of Pools**

a. Pool freight boards will be regulated on starts. A start is defined as any trip (terminal to terminal working trips, terminal to terminal deadhead trips, combined deadhead and service or combined service and deadhead trips, turnaround trips, etc.) made by either an assigned or made-up turn in the pool.

**NOTE:** This agreement will not be applicable to pools which have pre-existing agreements providing for starts as basis for regulation.

b. Pool freight boards shall be regulated as follows:

#### **POOL MILEAGE (TRIP)**

*Up to 160 miles*

*161-190 miles*

*191-250 miles*

*251 miles or greater*

#### **MONTHLY STARTS TARGET**

*Between 20 and 23*

*Between 19 and 22*

*Between 18 and 21*

*Between 17 and 20*

c. Pools shall be regulated no more than once per week concurrent with the JAD, unless otherwise mutually agreed by CMC and the BLET Local Chairman with jurisdiction over the concerned pool.

- d. Regulation will occur by 1700 every Monday, in preparation for the upcoming JAD, and will be accomplished by reviewing the starts data for the pool during the concerned twenty (20) day check period. Check periods begin each Friday looking back twenty (20) days. (e.g. If Friday the 26<sup>th</sup> is the designated adjustment day for a given pool, the 20-day check period for consideration would be the 7<sup>th</sup> – 26<sup>th</sup> .) The number of starts made by the pool in the check period will be multiplied by 1.5 and divided by the number of turns in the pool to arrive at the pool's prorated monthly starts.
- e. Adjustment to the number of assigned turns in a given pool would be called for only if the pool's prorated monthly starts, when divided by the number of regular turns assigned, results in an average monthly starts per turn figure that is outside the applicable monthly starts target range for the pool. Were that to be the case, then adjustment in the number of assigned turns will be made to bring the average monthly starts per turn within the applicable monthly start range and as close as possible to the middle of that range, unless CMC and the BLET Local Chairman with jurisdiction over the concerned pool mutually agree to a different adjustment. When mid-range adjustment is the objective, resulting turn fractions of .51 or above will be rounded up and .50 and below rounded down.

**Examples:**

Example 1 – Pool A consists of a 150-mile run and currently has seven (7) turns assigned. On adjustment day, the pool had one hundred (100) regular starts and ten (10) made up (MU) starts for a total of one hundred and ten (110) starts for previous twenty (20) day check period.  $110 \times 1.5 = 165 / 7 = 23.571$  average starts. Because the number of starts (23.571) falls outside the 20-23 adjustment range, the pool will be adjusted with a sufficient number of turns to bring the average number of starts within the start range and as close to mid-range (21.5) as possible, absent mutual agreement between the parties to do otherwise.  $165$  divided by  $21.5 = 7.67$ . One (1) turn would be added resulting in eight (8) turns being assigned for the adjustment period.

Example 2 - Pool B consists of a 180-mile run and currently has seven (7) turns assigned. On adjustment day, the pool had eighty (80) regular starts and fifteen (15) made up (MU) starts for a total of ninety-five (95) starts during previous twenty (20) day check period.  $95 \times 1.5 = 142.5 / 7 = 20.357$  average starts. Because the average number of starts (20) falls within the 19-22 adjustment range, no adjustment is necessary absent mutual agreement between the parties to do otherwise.

Example 3 – Pool C consists of a 225-mile run and currently has five (5) turns assigned. On adjustment day, the pool had fifty (50) regular starts during previous twenty (20) day check period.  $50 \times 1.5 = 75 / 5 = 15$  average starts.

Because the number of starts (15) falls below the 18-21 adjustment range, the pool will be adjusted with a sufficient number of turns to bring the average number of starts within the start range and as close to mid-range (19.5) as possible, absent mutual agreement between the parties to do otherwise.  $75 \text{ divided by } 19.5 = 3.846$ . One (1) turn would be reduced resulting in four (4) turns being assigned for the adjustment period.

Example 4 – Pool D consists of a 300-mile run and currently has five (5) turns assigned. On adjustment day, the pool had fifty-five (55) regular starts during previous twenty (20) day check period.  $55 \times 1.5 = 82.5 / 5 = 16.5$  average starts. Because the number of starts (16.5) is outside the 17-20 adjustment range, the pool will be adjusted with a sufficient number of turns to bring the average number of starts within the start range and as close to mid-range (18.5) as possible, absent mutual agreement between the parties to do otherwise.  $82.5 \text{ divided by } 18.5 = 4.45$  One (1) turn would be reduced resulting in four (4) turns being assigned for the adjustment period.

## **2 – Regulation Measurements**

- a. The parties recognize that the regulation method provided in Section I above is intended to meet operational obligations, achieve manpower stability and provide sufficient earning opportunity for the involved employees. To ensure the success of, the monthly start regulation range of a specific pool may be modified, by mutual agreement between the HDO and the BLET General Chairman with jurisdiction, if the regulations results in any of the following:
  - i. Repeated weekly up/down adjustments
  - ii. An excessive number of assigned pool Engineers in mandatory time off due to the Rail Safety Improvement Act (RSIA)
  - iii. Excessive and consistent number of made-up turns being necessary
  - iv. Trains consistently held for engineers
  - v. Consistently depressed earnings for the involved engineers
- b. The parties also recognize that there will be circumstances, such as reroutes due to scheduled track maintenance, derailments, weather, holiday slowdowns/shutdowns, etc., that may cause the traffic in a particular pool to temporarily experience abnormal fluctuation. In these instances, the parties will work together to ensure operational obligations are met and the assigned pool engineers are afforded opportunity to sustain their standard earning potential.
- c. Should any issues arise regarding this Article above which the Local Chairman and CMC cannot resolve, such will be forwarded to the General Chairman and the HDO for resolution.

## **II Article 78 - Assignment Rule**

This Article will govern the establishment of regular assignments. Assignments should address the needs of customer service in a cost efficient manner and provide a reasonable earning opportunity and assigned work schedules to the involved employees. The parties agree that neither party will unreasonably withhold concurrence on the establishment of regular assignments that meet the above mutually beneficial identified criteria. Assignments may be established using one of the following options:

### **Section 1 - ASSIGNED TRAIN WINDOW**

Upon discussion between the BLET Local Chairman and Division Management with concurrence of the General Chairman and HDO, a Regular Assignment may be established for Engineers to operate a designated train within a window at the home and away from home terminal under the following conditions.

1. Regular assigned runs will have a designated home and away from home terminal identifying a designated train and assigned starting time at both the home and away from home terminal.
2. The Engineer can be placed on duty on the designated train within a six (6) hour on duty window beginning with the designated start time. Engineers will not be responsible to protect service in advance of the advertised window.
3. Upon the expiration of the six (6) hour window, the Engineer will be paid on a minute basis at the pro rata rate of pay until placed on duty by the 8<sup>th</sup> hour beyond the assigned start time.
4. If the designated train is not scheduled to operate within the identified timeframe, the engineer may be used on another train operating to the designated home/away from home terminal within the assigned window, or deadheaded.
5. If not called at the expiration of the time frames outlined above, the Engineer may be deadheaded to the objective terminal, or annulled.
6. If not used or deadheaded at the expiration of the above time frame at the home terminal, the Engineer will be paid trip rates for the round trip. If not used at the expiration of the above time frame at the away from home terminal, the Engineer will be released from duty and paid the applicable trip rate to deadhead to the home terminal.
7. If the Engineer is run on another train, and the designated train is run within the identified timeframe defined in 3 above, the Engineer will be paid a penalty day in addition to all other earnings for the trip.

8. In the event a crew is held beyond the identified timeframe, as defined in 3 above, due to an emergency as defined in the Note listed in Article 81, Section 2 (E)(2), the Engineer will be paid on a minute basis until again called for duty.

EXAMPLE: The Q 100 train has an assigned start time of 0400 out of the home/away from home terminal. If not placed on duty by 1000 hours, the Engineer will commence pay per paragraph 3 of this Article. If not placed on duty to work/deadhead in accordance with the identified timeframe, the Engineer will be annulled and paid accordingly.

## **Section 2- PREFERRED REGULAR ASSIGNED TRAIN WINDOW**

Upon discussion between the BLET Local Chairman and Division Management with concurrence of the General Chairman and HDO, preferred regular assigned windows may be established for Engineers to operate one or more designated trains within a window at the home and away from home terminal under the following conditions:

1. Preferred Pool Assignments will have a designated home and away from home terminal identifying designated trains and assigned starting times at both the home and away from home terminal.
2. The Engineer can be placed on duty on a designated train within a six (6) hour on duty window beginning with the designated start time. Engineers will not be responsible to protect service in advance of the advertised window.
3. Upon the expiration of the six (6) hour window, the Engineer will be paid on a minute basis at the pro rata rate of pay until placed on duty by the 8<sup>th</sup> hour beyond the assigned start time.
4. If a designated train is not scheduled to operate within the identified timeframe, the Engineer may be used on another train operating to the designated home/away from home terminal within the assigned window, or deadheaded. .
5. If not called at the expiration of the time frames outlined above, the Engineer may be deadheaded to the objective terminal, or annulled.
6. If not used or deadheaded at the expiration of the above time frame at the home terminal, the Engineer will be paid trip rates for the round trip. If not used at the expiration of the above time frame at the away from home terminal, the Engineer will be released from duty and paid the applicable trip rate to deadhead to the home terminal.
7. If the Engineer is run on another train, and the designated train is run within the identified timeframe defined in 3 above, the Engineer will be paid a penalty day in addition to all other earnings for the trip.

8. In the event a crew is held beyond the identified timeframe, as defined in 3 above, due to an emergency as defined in the Note listed in Article 81, Section 2 (E)(2), the Engineer will be paid on a minute basis until again called for duty.

### **Section 3 - ENFORCEMENT**

Should it be determined that the needs of customer service, or cost efficiency, or reasonable earning opportunity of an assignment is no longer being realized, or the provisions of Article 78 be repeatedly violated on an assignment, either party may notify the other of their desire to cancel the assignment on the next practical JAD. Disputes concerning an assignment that cannot be settled with the Local Chairman of Jurisdiction and CMC are referable to the General Chairman of jurisdiction and CSXT's Highest Designated Officer (HDO). If the General Chairman of jurisdiction and CSXT's HDO cannot settle the issue, it will be handled according to Article 32 of this Agreement.

The Parties recognize logistical challenge of converting previously established assigned service to the variations identified in Section 1 and 2 of this Article, and will require phased in implementation over a period of time. All existing assignments in effect before the date of this Agreement will remain in place (for the purposes of this Article) until amended pursuant to Section 1 or 2 of this Article or converted to an unassigned pool.

### **Section 4 - DISPUTE RESOLUTION**

Should a dispute arise between the BLET Local Chairman and Division Management regarding the administration of Article 78, the matter will be referred to the General Chairman and HDO for handling. This Article does not preclude the BLET General Chairman and Labor Relations from mutually agreeing to establish regular assignments to accommodate specific needs of service. Upon the serving of a notice under Section 1 or Section 2, and for a period of twenty (20) days, the parties will discuss the details of operating and working conditions of the proposed runs. Should resolution not be reached, the parties may proceed to expedited arbitration and the status quo will be maintained until the decision is rendered.

## **III Article 5 - Perfect Attendance Stock Award**

**Article 5 of Labor Agreement No. 1-023-07 between BLET and CSXT will be amended as follows:**

A. Effective January 1, 2015, all eligible CSXT Engineers will be entitled to an award of ten (10) shares of CSX Corporation Common Stock for every three (3) months of perfect weekend attendance. The quarterly periods begin January 1, April 1, July 1, and October 1 of each year. All eligible CSXT Engineers who achieve perfect weekend attendance during the semi-annual periods beginning January 1 and July 1 of each year will receive an additional fifty-five (55) shares of CSXT Corporation Common Stock for each semi-annual period of perfect attendance.

B. Perfect weekend attendance is defined as one hundred percent (100%) availability on Friday, Saturday, Sunday and Monday during a consecutive three (3) or (6) month period identified above. Additionally, employees who are found guilty of a human factor caused derailment will be disqualified for the respective quarterly or semi-annual period identified above. Rest days are considered as being available for service. Any other non-compensated mark offs will be considered as unavailable. Recipients of this award will have such shares placed in their 401(k) account. Those awardees who do not have a 401(k) account will receive the cash equivalent of said stock based on the closing price of CSX stock on the day the stock is purchased for both the quarterly and semi-annual periods. All previous Letters of Understanding related to Article 5 remain in full force and affect.

#### **IV ID Rule**

The rule below will replace Article 84.

Note: As used in this Agreement, the term interdivisional service includes interdivisional, interseniority district, intradivisional and/or intraseniority district service.

ID Service agreements in effect will not be affected by the provisions of this Article unless otherwise modified pursuant to the Notice provisions of this agreement. It is understood that any future changes to existing ID agreements must comply with the established criteria prior to modifying or amending an existing ID Agreement.

When the Company intends to implement assigned and/or unassigned interdivisional/intradivisional freight service [ID] they will provide ten (10) days notice to the affected General Chairmen and, the following conditions pursuant to the provisions of Article IX - Interdivisional Service of Arbitration Award #458 as modified below will apply:

#### **Section 1 Notice**

Upon ten (10) days' advance written notice to the General Chairman with contractual jurisdiction of the Brotherhood of Locomotive Engineers and Trainmen, to establish interdivisional/intradivisional freight service, the conditions below shall apply.

1. \_\_\_\_\_ will be the home terminal and \_\_\_\_\_ will be the away-from-home terminal for Engineers operating under this agreement. Assigned and/or Unassigned crews may be used to protect such service. Frequency and schedule of train service permitting, assigned trains and/or meet and turn service may be established as provided in this agreement..
2. Uniform trip mileage for the service to \_\_\_\_\_ will be \_\_\_\_\_ miles which includes the movement between \_\_\_\_\_ and \_\_\_\_\_ in either direction, regardless of the yards in which the train originates or terminates. This Notice will not affect the mileage or pay conditions of other traffic operating between those locations.

3. Pro-ration of mileage to protect this service will be on the basis of \_\_\_% (\_\_\_ miles) to Engineers in Seniority District I and \_\_\_% (\_\_\_ miles) to Engineers in Seniority District II.
4. The Company will make electronic records available to the affected BLET Local Chairmen, for use in the calculation of any pro-ration of work among the employees each payroll period.

## Section 2

1. All miles run in excess of the miles encompassed in the basic day shall be paid for at a rate calculated by dividing the basic daily rate of pay in effect on May 31, 1986 by the number of miles encompassed in the basic day as of that date. Weight-on-drivers additives will apply to mileage rates calculated in accordance with this provision.
2. Interdivisional service crews will not be tied-up en route but will be deadheaded to the final destination in continuous service and allowed the trip mileage.
3. Relief service will be as provided for in Side letter #11A and #11B of CSXT Labor Agreement 01-023-07.
4. Held away from home terminal for pool crews protecting this service, provided for by Article 9 of the Single System Agreement, will commence at fifteen (15) hours after registering off duty from their previous trip or deadhead at the away-from-home terminal at the pro-rata rate per hour paid for the last service performed and will continue until the crew reports for duty for service at the away-from-home terminal.

## Section 3

1. When Engineers are required to report for duty or are relieved from duty at a point other than the on and off duty points fixed for the service covered by this Notice, the Company shall authorize and provide suitable transportation for such Engineers to the on and off duty points. The on and off duty points for this service will be \_\_\_\_\_ or \_\_\_\_\_.

Note: Suitable transportation includes Company owned or provided passenger carrying motor vehicles or a taxi, but excludes other forms of public transportation.

2. Engineers manning service under this agreement will be able to qualify for the current away from home standard meal allowance as provided for by the Schedule Agreement.
3. In order to expedite the movement of interdivisional/intradivisional trains operated under this Agreement, the Company shall determine the conditions under which the crews may stop to eat. When such crews are not permitted to stop to eat, they will be paid an allowance of \$7.50 for the trip.

#### **Section 4**

1. Engineers assigned to service operated under this Notice will be qualified over unfamiliar territory by qualified Engineers, subject to Article 63. Engineers who stand to protect the service, including filling vacancies, will take their regular turns when called and be qualified by Engineer pilots, subject to Article 63.
2. In order to provide for prompt qualification, Engineers called for pilot service that are not qualified over the entire territory of the assignment may be required to begin or extend their trip over the entire territory of the run.
3. When, in the opinion of the supervisory officer, an Engineer is taking an unreasonable amount of time to qualify, the Engineer will be required to consult with the supervisory officer and the BLET Local Chairman having jurisdiction for the purpose of identifying and correcting the problem.

#### **Section 5**

1. In lieu of the relocation protection provisions contained in WJPA, an inclusive lump sum payment of \$23,000 (less applicable deductions) for relocation allowance is available to employees who are homeowners and relocate their residence to the new location. To be eligible for this payment, they must elect to do so within thirty (30) days of and relocate within sixty (60) days of the date of this agreement implementation.
  - a. This lump sum payment is in lieu of any and all relocation provisions the employee may have been eligible to receive, including those benefits in Section 5(2)B, below.
  - b. The employee must provide proof of a change in residence to the new location within the sixty (60) day period prior to receiving payment.
  - c. If it is determined an employee receiving the lump sum payment did not relocate or voluntarily returns to his former location or goes to a location other than the new location to work within twelve (12) months from the date he receives the payment, he will be required to repay the total amount in either one (1) lump sum or have it deducted from his earnings via evenly distributed payments for the following eighteen (18) months.
2. Protection
  - A. Every employee directly adversely affected as a result of the application of this rule shall receive the protection afforded by Sections 6, 7, 8, and 9 of the Washington Job Protection Agreement of May 1936, except that for the purposes of this Agreement, Section 7(a) is amended to read 100% (less earnings in outside employment) instead of 60% and extended to provide period of payment equivalent to length of service not to exceed six (6) years and to provide further that allowances in Sections 6 and 7 be increased by subsequent general wage increases.

- B. Any employee required to change his residence shall be subject to the benefits contained in Sections 10 and 11 of the Washington Job Protection Agreement and in addition to such benefits, shall receive a transfer allowance of four hundred dollars (\$400.00) and five (5) working days instead of the “two working days” provided by Section 10(a) of said Agreement. Under this Section, change of residence shall not be considered “required” if the reporting point to which the employee is changed is not more than thirty (30) miles from his former reporting point.
- C. If any protective benefits greater than those provided in this Article are available under existing agreements, such greater benefits shall apply subject to the terms and obligations of both the Carrier and employee under such agreements, in lieu of benefits provided in this Article.

## **Section 6**

The parties recognize that additional items of mutual benefit may be discussed and agreed upon.

### **Examples**

Example 1 – CSXT desires to establish new service between Savannah and Atlanta, GA. A ten (10) day notice is required per Article 84 Section 1 and the provisions contained in Article 84 apply to the newly established service.

Example 2 – Current service exists between Erwin, TN and Spartanburg, SC with the home terminal at Erwin. CSXT desires to change the home terminal of the pool from Erwin to Spartanburg. A ten (10) day notice is required per Article 84 Section 1 and the provisions contained in Article 84 apply to the modified service.

## **V Article 62 A Note**

Note: Engineers off account of sickness or injury may be required to provide the Company with information from his physician as to his current condition, within thirty (30) days of a written notice thereof or forfeit all seniority. A copy of the notice to the Engineer will be furnished to the General Chairman of the Brotherhood of Locomotive Engineers and Trainmen.

## **VI Vacation and Personal Leave Day Scheduling**

Effective with vacation scheduling for 2016, the parties will schedule personal days, as well as weekly and daily vacations, for SSA represented employees by the Supply Points contained in **Attachment 1** to this agreement. Employees will be placed on a Supply Point Roster (Attachment 1) based on where they have worked a preponderance of the time in the preceding year. Preponderance of service for the purposes of craft will be defined as the majority of the time spent in the craft between April 1<sup>st</sup> and September 30<sup>th</sup> of each year. Preponderance of service for the purposes of work location will be defined as the location

where the employee worked the majority of the time between April 1<sup>st</sup> and September 30<sup>th</sup> of each year.

**Article 18- Section (5)(C) of Labor Agreement No. 1-023-07 between BLET and CSXT will be amended as follows:**

C. Engineers' vacations will be scheduled throughout the calendar year beginning with the first full week in January for the given year.

1. Each listed Supply Point will have one Supply Point Roster for weekly vacation. The appropriate Local Chairman will notify the designated CSXT Officer by December 1st each year, the total number of Engineer vacation weeks to be scheduled (weekly entitlement) for the following year based upon the electronic bids. The liability will be based on the weekly vacation liability of the employees who have worked a preponderance of the time at the individual Supply Point, increased by 50%. The formula for determining Weekly Vacation will be based on actual liability multiplied by 1.5. Weekly Vacation will continue to be scheduled by seniority.

2. Each listed Supply Point will have one Supply Point Roster for daily vacation. The liability will be based on the daily vacation liability of the employees who have worked a preponderance of the time at the individual Supply Point, increased by 25%. The formula for determining Daily Vacation caps will be based on actual liability multiplied by 1.25. The total annual Engineer daily vacation liability will be divided by the number of weeks in that particular calendar year. This number will represent the total number of daily vacation days that may be scheduled during each week of the year. Any fraction of .50 or greater will be carried to the next higher number. Any fraction of less than .50 will be rounded to the next lower number.

**Article 16 (C)(1)(a) of Labor Agreement No. 1-023-07 between BLET and CSXT will be amended as follows:**

C. 1. a. Each listed Supply Point will have one Supply Point Roster for Personal Leave Days. Personal Leave Days may be requested or scheduled no later than twenty-four (24) hours before, but no earlier than twenty-one (21) days in advance by contacting the appropriate CSXT Officer at CMC or by using the appropriate screen in the CSXT system or through the IVR. These days shall be granted or allowed consistent with the daily caps which have been evenly distributed for each day of the week. CSXT has the option of granting Personal Leave Days with less than twenty-four (24) hours' notice and will do so when requested by the Local or General Chairman when the caps and/or needs of service will allow. Any fraction of .50 or greater will be carried to the next higher number. Any fraction of less than .50 will be rounded to the next lower number. This does not change the positions of the parties concerning the calculation of Personal Leave Day caps.

**VII Missed Call**

An Engineer will be given up to 10 minutes from the time CMC calls the Engineer at both his primary and secondary numbers (if provided) to return the call. If an Engineer does not call CMC back within 10 minutes, they may receive handling for missed call in accordance with the provisions of Article 36 and 37.

#### **VIII Engineer Trainee Instructors (ETI)**

Effective January 1, 2015, Parties agree Engineers assigned as Engineer Trainee Instructors will be eligible for the Perfect Attendance Stock Award (PASA) and Demand Day's off.

#### **IX Additional Service List (ASL)**

**Article 43 of Labor Agreement No. 1-023-07 between BLET and CSXT will be amended as follows:**

Engineers that desire to make themselves available for additional service as well as increase earning potential, may elect to mark up to the Additional Service List (ASL).

A. An ASL will be established at all Supply Points permitting Engineers assigned to a work/rest pool or guaranteed extra board with rest days to mark up on a voluntary basis using the IVR. Engineers desiring to mark up on the ASL will be required to electronically communicate such request to the Crew Management Center (CMC) using the IVR or other means identified by CMC. The Engineer will remain on the board until notification is communicated to CMC, using the IVR or other means identified by CMC, that the Engineer desires to remove himself from the ASL.

B. While occupying the ASL, Engineers are required to protect all assignments on a first-in, first-out basis the same as other extra boards. An Engineer who renders himself unavailable for call will have his name removed from the ASL for a period of not less than fifteen (15) days.

#### **Question and Answer**

Q-1: If an Engineer missed his regular scheduled assignment while performing service on an assignment which was called off of the ASL, what will he be paid?

A-1: The Engineer will be compensated for the assignment worked, in addition to the difference in pay between the earnings of his regular assignment and the earnings from his service performed from the ASL.

Q-2: How is difference in pay, referenced in Q&A 1 above, to be determined for extra board and self supporting pool freight service employees where the employee's turn is removed from the board when called from the ASL?

A-2: Difference in pay will be tied to the employee who works the turn the employee working the ASL assignment should have been called for if he had stayed in the proper rotation.

**X Blueprint of Pools**

**Article 39 of Labor Agreement No. 1-023-07 between BLET and CSXT will be amended to include the following provisions.**

1. Engineers protecting unassigned pool freight service (on a first-in and first-out basis) at the away from home terminal who are runaround by Engineers called in Turnaround Service out of the home terminal as well as those called in Combination Service will upon arrival at the home terminal be placed back or regain his same relative standing in that pool.
2. The Engineer must notify the appropriate crew caller, within one (1) hour of the final off duty time, of the name of the Engineer(s) he is entitled to be marked ahead of. When an Engineer is given his/her turn in accordance with the information furnished, CSXT will not be penalized.
3. All other provisions contained in Article 39 remain in effect.

**XI Local Chairman Vacation Article 18**

BLET Local Chairmen entitlements to vacation and personal days will not be included in the calculation of caps for each roster. However, they will be allowed to take their weekly vacation/daily vacation and personal days as the need arises throughout the calendar year above the caps allotted at their work location.

**XII Access to ET Classes at the REDI**

BLET will be given the ability to address all ET classes conducted at the REDI, to be coordinated with the REDI. See attached Side Letter 1

**XIII Payroll Recovery**

Modify Article 31 D to read as follows:

- D. No recovery of payroll overpayments manually processed will be made after sixty (60) days from the date of payment to the employee (not automated payments - IE Code 75 – off territory). For all automated payments not subject to manual review, CSXT must begin recovery of improper payments within six (6) months from the date the payment is issued to the employee (IE Code 90 – auto transportation allowance). The maximum overpayment recovery will be two hundred and fifty dollars (\$250.00) per bi-weekly pay period, or one hundred and twenty-five dollars (\$125.00) in the case of weekly pay periods, unless superseded by state law.